



DEPARTMENT OF THE AIR FORCE
HEADQUARTERS SPACE AND MISSILE SYSTEMS CENTER (AFSPC)
LOS ANGELES AIR FORCE BASE CALIFORNIA

22 JAN 2002

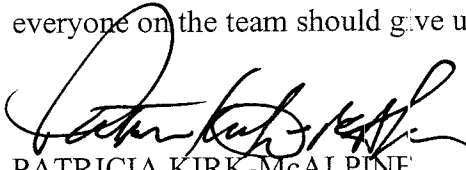
MEMORANDUM FOR SEE DISTRIBUTION

FROM: SMC/PK/FM

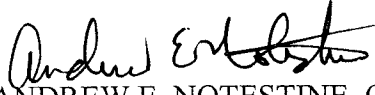
SUBJECT: Acquisitions under the Economy Act and the MIPR Process

1. The purpose of this letter is to reemphasize existing policy. The Economy Act permits a Federal agency to order supplies and services from another Federal agency, including other military departments and defense agencies, subject to certain conditions. The Act was designed to promote economy in Government operations by permitting efficient use of Government resources, even though they may be in another agency. The primary document used by DoD for ordering these supplies or services from another agency is the Military Interdepartmental Purchase Request (MIPR).
2. Before making any acquisition strategy decision to acquire supplies or services using a MIPR, obtain the advice of your servicing contracting officer. As your primary business advisor, the contracting officer will discuss with you any existing regulatory requirements, such as the Economy Act, as well as identify other potential acquisition alternatives. This helps to insure an awareness of all pertinent information necessary to formulate the most effective acquisition strategy.
3. FAR 17.503 states that each order for supplies or services to another agency shall be supported by a Determination and Findings (D&F) executed by the requesting agency. It is Air Force policy that when an Air Force activity decides to place an order outside DoD under the Economy Act, the written Determination and Findings documenting the decision shall be approved at a level no lower than SES/Flag/General Officer in the requesting activity's chain of command (AFFARS 5317.503-90). A written D&F is not required for orders placed within DoD; however, the Contracting Officer will review the decision to contract outside the Air Force.
4. If a D&F is required under the Economy Act, your contracting officer will review and coordinate on the proposed D&F and supporting documentation as a "business advisor" to the approval authority. The content of the D&F will be consistent with the policies and procedures contained in the FAR 17.503 and applicable DFARS, AFFARS and DoD Financial Management Regulation, Volume IIA, Chapter 3. The executed D&F shall be furnished to the servicing agency as an attachment to the MIPR, along with any documentation used to support the D&F. The contracting office shall retain a record copy of each Economy Act D&F in a central file. If there is a signed Support Agreement between the parties, no further written determination is necessary (DODI 4000.19).

6. In summary, seek the advice of your Contracting Officer before using a MIPR to order any supplies or services from an organization outside the Air Force. We have a responsibility to ensure that we receive the best value for Air Force dollars. Bringing together the expertise of everyone on the team should give us the business intelligence we need to ensure that happens.



PATRICIA KIRK-McALPINE
Director of Contracting
Contracting Directorate



ANDREW E. NOTESTINE, Colonel, USAF
Director of Financial Management
and Comptroller

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